

A Publication of
the Massachusetts
Department of Revenue's
Division of Local Services

City & Town

Amy Pitter, Commissioner • Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs



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DOR 360



City & Town is published by the Massachusetts Department of Revenue's Division of Local Services (DLS) and is designed to address matters of interest to local officials.

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Announcing Valuation Workshop Locations for Solar PV Projects

**Marilyn H. Browne - Chief, Bureau of Local
Assessment**

In our last issue of *City & Town*, we announced the scheduling of three workshops across the state to provide local assessors with the tools and methodology for valuing Solar Photovoltaic (PV) systems for the purpose of local taxation or for negotiation of payment in lieu of taxes (PILOT) agreements. These workshops will be led by George E. Sansoucy P.E. Locations have been finalized and are as follows:

Boston	Tuesday, February 26, 2013 Hurley Building, Government Center Minehan Hall 19 Staniford St. (corner of Cambridge St.) Boston, MA 02114 8am - Noon
Shrewsbury	Tuesday, February 26, 2013 Shrewsbury Town Hall 100 Maple Avenue Shrewsbury, MA 01545 2pm - 6pm
Springfield	Wednesday, February 27, 2013 State Office Building, Room B42 436 Dwight Street Springfield, MA 01103 9am - 1pm

Registration is required. Please join us by registering with Emanuela Achin at 617-626-2331 or at bladata@dor.state.ma.us to reserve your seat by location now.

Improving the Content of the Corporations Book

Melinda Ordway, Senior Financial Analyst

Annually, the Division of Local Services (DLS) issues a list of [Corporations Subject to Taxation in Massachusetts \(Corporations Book\)](#), pursuant to G.L. c. 58, sec. 2. The list is published online and assists local assessors in determining whether a particular business entity owning personal property as of January 1 of the publication year is entitled to a property tax exemption as a corporation (G.L. c. 59, sec. 5(16)). This resource is divided into three sections: corporations, financial institutions, and insurance companies. It also identifies the entities treated as corporations that are classified as "manufacturing" after applying for that status with the Department of Revenue (DOR). The financial institutions and insurance companies are listed separately under their own section headings because they are taxed differently than business corporations.

Historically, DLS has compiled the list from a combination of corporate excise and other information from the DOR tax database, as well as new corporate registrations filed at the Secretary of State's Corporations Division. However, recent amendments to both federal and state tax laws have resulted in changes in the structure of business entities and their tax reporting. Some corporations may no longer be separately identified in the DOR database because they are now part of a consolidated return filed under the name of their parent company. Limited liability companies (LLCs), partnerships, trusts and other unincorporated entities filing federally as corporations are now also treated as corporations for state and local tax purposes. In addition, recently formed businesses or those that have changed their structure may not have filed state tax returns showing their current status at the time the list is compiled. Given these issues, we've incorporated a new procedure.

Therefore, in order to improve the content of the list, DOR issued [Directive 12-05, Procedure for Inclusion in Annual List of Corporations for Property Tax and Other Purposes](#) and developed a self-declaration form as part of [WebFile for Business](#). WebFile for Business is where new businesses register with DOR and make their state tax filings and payments. Once logged into this secure site, the business would locate the Annual Certification of Entity Tax Status application and complete it by answering a brief series of questions. Business taxpayers and others can [tour WebFile for Business](#) and review [FAQs](#) on the DOR website to learn about this new certification procedure. Annually, the

electronic certification must be filed between September 1 and April 1 to ensure that qualifying legal entities appear in the *Corporations Book*. The registration application will close April 1 and the list will be compiled and published as quickly as possible to ensure local assessors have necessary information before issuing the subsequent year's preliminary tax bills. It is our hope that this new reporting application will facilitate a more complete and accurate list of companies treated as corporations and assist cities and towns in the proper determination of personal property tax assessments.

Final 2012 Equalized Valuations

Bureau of Local Assessment

Two days ago, the Bureau of Local Assessment (BLA) issued the final 2012 Equalized Valuations (EQVs) representing the full and fair cash value of all taxable property for each municipality as of January 1, 2012.

These EQVs will be used as a basis of comparison among the 351 municipalities within the Commonwealth for certain state and local purposes beginning in fiscal year 2014. Specifically, EQV is used in the allocation of local aid such as Chapter 70 education aid, the reimbursement of school construction projects, aid to libraries and prior allocation of lottery aid. Certain Cherry Sheet charges also use EQV: County Tax, Boston Metropolitan Transit District, Mosquito Control Projects and Air Pollution Control Districts. In addition, EQV is used in calculating a community's debt limit (MGL Ch.44, sec 10).

EQVs are available on the DLS website [here](#). The Bureau will provide an analysis of these EQVs in an upcoming issue of *City & Town*.

Register Now for the Regional Consolidation of Local Government Services Forum

Seminars, Workshops and Trainings

The Great Recession and its aftermath have forced state and local governments to cut costs and seek efficiencies. Budgets are expected to be tight into the foreseeable future. This forum will feature new research by the New England Public Policy Center exploring if and how local governments in New England could save through greater consolidation of public safety, public health, and high-level government administration services.

The Forum will be kicked off by Lieutenant Governor Timothy Murray. The author and keynote speaker, Yolanda Kodrzycki, Vice

President and Director of the Center, will describe current fragmentation and present analysis of the extent to which greater consolidation could yield long-term savings for local governments in New England with specific focus on Massachusetts and Connecticut.

Panelists such as Administration and Finance Director of Local Policy Pam Kocher will discuss the opportunities for and challenges in realizing savings through greater regional consolidation as well as the merits of state policies promoting this goal.

February 14, 2013
Connolly Center, 4th Floor
Federal Reserve Bank of Boston
600 Atlantic Avenue
Boston, MA
8am - 10:30am

This event is free and open to the public, but space is limited. Early registration is recommended. The deadline to register is Tuesday, February 12th.

To register: <http://www.regonline.com/2013regionalconsolidation>

MMA Annual Meeting and Trade Show Information

Seminars, Workshops and Trainings - MMA

The Massachusetts Municipal Association's Annual Meeting and Trade Show is scheduled for Jan. 25-26, 2013. This year's meeting will feature Administration and Finance officials, Department of Revenue Commissioner Amy Pitter and DLS Deputy Commissioner and Director of Municipal Affairs Robert Nunes hosting a workshop titled, "State and Local Economic and Budget Outlook."

Join the largest gathering of municipal officials in the Northeast, with fantastic speakers, workshops, and the largest municipal trade show in the region. Check out the Division of Local Services at Booth 714 and the Operational Services Division at Booth 1133!

Go to mma.org to register.

DOR Names Advisory Council Members

Massachusetts Revenue Commissioner Amy Pitter has named 16 people who represent a broad range of taxpayer interests to sit on

the agency's new Advisory Council. The council, which will hold its first meeting on January 30, is the centerpiece of the Commissioner's DOR 360 initiative to improve efficiencies at the agency and open new avenues of communication with the communities DOR serves.

Commissioner Pitter said DOR encouraged tax practitioners, litigators, auditors, corporate and small business leaders, minority advocates and women's and other business associations across the state to apply for a seat on the council.

The Council will meet three to four times a year and will be expected to tackle such topics as audit practices, customer service and communications for taxpayers and practitioners, new and proposed business practices, DOR guidance on tax matters and concerns or issues that council members bring to the table.

In addition to naming an Advisory Council, citizen feedback through the DOR360 program has also led to the development of an alternative program for settling tax disputes and a new more inclusive method in seeking taxpayer comments on revising tax policies.

January Municipal Calendar

January 1	Assessors	Property Tax Assessment Date This is the effective date (not for exemption purposes) for statewide valuation and assessment of all property for the following fiscal year.
January 31	DESE	Notify Communities/Districts of Estimated Net School Spending Requirements for the Next Year As soon as the Governor releases the ensuing year's budget, DESE notifies communities/districts of the estimated NSS requirements. These figures are subject to change based on the final approved state budget.